

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
and Jon Wellinghoff.

Midwest Independent Transmission
System Operator, Inc.

Docket Nos. ER06-22-002
ER06-158-002

ORDER ON REHEARING

(Issued August 18, 2006)

1. The Midwest Independent Transmission System Operator, Inc. (Midwest ISO) requests rehearing of the Commission order issued in this proceeding on March 10, 2006.¹ The March 10 Order rejected an unexecuted Large Generator Interconnection Agreement (LGIA) among the Midwest ISO, Endeavor Power Partners, LLC (Endeavor Power) and Interstate Power and Light Company (Interstate) in Docket No. ER06-22-000 and rejected an unexecuted LGIA among the Midwest ISO, Interstate and Summit Wind, LLC (Summit) in Docket No. ER06-158-000. In this order, we grant the Midwest ISO's request for rehearing and conditionally accept the LGIAs, as discussed below.

Background

2. On October 12, 2005 and November 7, 2005, as amended on January 9, 2006 and January 20, 2006, the Midwest ISO submitted the two non-conforming unexecuted LGIAs for filing with the Commission.

¹ *Midwest Independent Transmission System Operator, Inc.*, 114 FERC ¶ 61,256 (2006) (March 10 Order). The Midwest ISO seeks rehearing of the March 10 Order for the same reasons in its Joint Request for Rehearing filed in Docket No. ER06-30-000 regarding the Article 4.1 requested deviation that provides Endeavor Power and Summit with conditional network resource interconnection service. The Commission recently granted the Midwest ISO's request for rehearing in ER06-30-002. *Midwest Independent Transmission System Operator, Inc.*, 114 FERC ¶ 61,078, *order on reh'g*, 116 FERC ¶ 61,009 (2006) (July 5 Order). The Midwest ISO also recently filed an amendment to its *pro forma* tariff to include the nonconforming provision, Article 4.1, in Docket No. ER06-1315-000.

3. The LGIAs govern the interconnection of Endeavor Power's and Summit's generating facilities to Interstate's transmission system. The March 10 Order determined that Article 4.1 of the LGIAs did not conform to the Midwest ISO's Order No. 2003 *pro forma* interconnection agreement.² The non-conforming provision would allow the interconnection customer to obtain conditional network resource service until a higher queued project goes into service. Once that happens, Endeavor Power or Summit might have to be re-designated as receiving energy resource interconnection service, or could request to be re-studied to determine the amount of generating capacity that remains as a network resource interconnection service.

4. In the March 10 Order, the Commission determined that a provision such as this may provide benefits by allowing an interconnection customer to receive a higher level of interconnection service conditionally, making use of available capacity without disturbing queue positions. Our concern with the LGIAs was that they limited such benefits to particular customers. The March 10 Order explained that such a right must be offered in a manner that is not unduly discriminatory, treating similarly situated interconnection customers consistently and fairly. The March 10 Order rejected the LGIAs, noting that the Midwest ISO could either remove the provision from the LGIAs or file to amend its *pro forma* tariff to include the proposed non-conforming provision.

Rehearing Request

5. The Midwest ISO seeks rehearing for the same reasons that it requested rehearing in Docket No. ER06-30-002.³

² See *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 68 Fed. Reg. 49,845 (Aug. 19, 2003), FERC Stats. & Regs. ¶ 31,146 (2003), *order on reh'g*, Order No. 2003-A, 69 Fed. Reg. 15,932 (Mar. 26, 2004), FERC Stats. & Regs. ¶ 31,160 (2004), *order on reh'g*, Order No. 2003-B, 70 Fed. Reg. 265 (Jan. 4, 2005), FERC Stats. & Regs. ¶ 31,171 (2004), *order on reh'g*, Order No. 2003-C, 70 Fed. Reg. 37,661 (Jun. 30, 2005), FERC Stats. & Regs. ¶ 31,190 (2005), *appeal docketed sub nom. National Association of Regulatory Utility Commissioners, et al. v. FERC*, Nos. 04-1148, et al. (D.C. Cir. filed Apr. 29, 2004 and later).

³ *Midwest Independent Transmission System Operator, Inc.*, 116 FERC ¶ 61,009 at P 4-8 (2006) (July 5 Order).

Discussion

6. We grant the Midwest ISO's request for rehearing for the reasons discussed in the July 5 Order.⁴ We also conditionally accept the unexecuted LGIAs, since the Midwest ISO has now filed to revise its *pro forma* interconnection agreement, for the reasons discussed in the July 5 Order.⁵ Our acceptance of this filing is conditional on the outcome of Docket No. ER06-1315-000.

The Commission orders:

(A) The Midwest ISO's request for rehearing is hereby granted.

(B) Midwest ISO's proposed LGIAs are hereby conditionally accepted, as discussed in the body of this order.

By the Commission. Commissioner Moeller not participating.

(S E A L)

Magalie R. Salas,
Secretary.

⁴ *Id.* at P 10-12.

⁵ *Id.* at 12.